

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY  
**Caption in Compliance with D.N.J. LBR 9004-1**

Cornelius Stephens  
33 Main Street  
Pennsville, NJ 08070  
[csbankruptcy2020@gmail.com](mailto:csbankruptcy2020@gmail.com)  
Direct 215-960-2509

Debtor,

Cornelius Stephens,

Plaintiff,

v.

Castlerock 2017 LLC, Castle CFD Group, LLC.,  
Madison CDF LLC,

Defendants

Case No: 20-14850 ABA

Chapter: 13

Adv. Proc. No:

**COMPLAINT**

NJ Rev Stat § 56:8-2 (2022)

NJ Stat § 45:15(1)

NJ Stat. § 42:2B-57(a)

**FILED**  
JEANNE A. NAUGHTON, CLERK

JAN 22 2024

U.S. BANKRUPTCY COURT  
CAMDEN, N.J.  
BY *awf* DEPUTY

1.

**INTRODUCTION**

Prior to filing this lawsuit, plaintiff served on defendants a letter demanding resolution of the complaint which is now before this court.

2.

Plaintiff has a right to be free from the deliberate concealment or non-disclosure of an important fact known to exist by defendant and not readily observable by plaintiff, and one

which plaintiff readily relied upon resulted in plaintiff suffering a monetary loss.

3.

Defendants' knowing, willful and deliberate conduct of doing business in New Jersey without being registered and/or licensed to conduct business in New Jersey without a license has caused plaintiff sleepless nights, upset stomachs and other significant emotional harm distinct from the inherent stress of the normal bankruptcy processes.

4.

### **JURISDICTION**

This Court has jurisdiction under 28 U.S.C. §§ 1331, 1334 because this civil proceeding arises under title 11 or arises in or related to a case under title 11.

5.

Plaintiff Cornelius Stephens filed Chapter 13 Bankruptcy in case number 20-14850-ABA In the District of New Jersey on February 20, 2020.

6.

Defendant, Castlerock 2017 LLC., is a New York Company and has designated the Secretary of State as agent to receive Service of Process and mail copy of process to Corporate Filings of New York, located at 90 State Street, Suite 700, Albany, NY 11207.

7.

Defendant, Castle CFD Group, LLC., is a New York Company and has designated the Secretary of State as agent to receive Service of Process and mail copy of process to Castle CFD Group LLC, 333

Westchester Avenue, suite S206, White Plains, NY 10604.

8.

Defendant, Madison CDF LLC., is a New York Company and has designated the New York Secretary of State as agent to receive Service of Process and mail copy of process to Madison CFD, 120 Bloomingdale Road, Suite 304, White Plains, NY 10605.

9.

### **NATURE OF CLAIM**

Plaintiff's automatic stay is a core proceeding under 28 U.S.C. § 157(a) and plaintiff consents to entry of final orders and judgments by the Bankruptcy Court, District of New Jersey in these proceeding.

10.

### **FACTUAL ALLEGATIONS**

Defendants knowingly and fraudulently concealed or failed to disclosure defendants were not registered and/or licensed to conduct business or sell real property within the state of new jersey. This was a material fact known to exist by the defendants and not readily known by plaintiff. Plaintiff, relying upon defendants' misrepresentation resulting from its fraudulent concealment and non-disclosure suffered a monetary loss.

11.

Defendants' willful and deliberate conduct of doing business in New Jersey without being registered and/or licensed to conduct business in New Jersey has caused plaintiff sleepless nights, upset stomachs and other significant emotional harm distinct from the inherent stress of

the normal bankruptcy processes.

12.

Defendants have been in the real estate business since 2014 according to business records. The defendants knew or should have known, New Jersey law required it to be registered and/or licensed to conduct business in New Jersey, or more specifically, to sell real property within New Jersey.

13.

### **CAUSE OF ACTION**

**(NJ Rev Stat § 56:8-2 (2022))**

**(NJ Stat § 45:15(1))**

**(NJ Stat § 42:2B-57(a))**

Plaintiff incorporates the allegations above by reference.

14.

Defendants' violation of N.J.Stat. §§ 42:2B-57(a), 45:15(1) and NJ Rev Stat § 56:8-2 (2022) was knowing and intended to fraudulently conceal or not disclose the material fact that defendants were not registered and/or licensed to conduct business or sell real property within the state of new jersey.

15.

Plaintiff is entitled to treble damages, punitive damages, and damages for emotional stress in amounts to be decided by the Court.

16.

### **PRAYER FOR RELIEF**

After a stipulation or determination that defendants willfully violated the automatic stay, plaintiff seeks relief as follows:

- A. **Money Judgment** against defendants for treble damages, punitive damages, and damages for emotional stress.
- B. **Order** rescinding Arm's Length Quit Claim Deed issued to defendant Madison CFD LLC, dated September 22, 2022, by defendant Castle CFD Group LLC. Defendant Castle CFD Group LLC is not registered with the New Jersey Department of State to legally conduct business in New Jersey, Nor is it licensed by the New Jersey Real Estate Commission to sell real estate in New Jersey.
- C. **Order** rescinding Quit Claim Deed issued to defendant Castle CFD Group LLC, dated September 22, 2022, by defendant Castlerock 2017 LLC. Defendant Castlerock 2017 LLC, although being registered with the New Jersey Department of State to legally conduct business in New Jersey, Castlerock 2017 LLC is not licensed by the New Jersey Real Estate Commission to sell real estate in New Jersey.

Plaintiff also seeks any equitable relief this Court may determine is fair. Plaintiff may intend to amend this complaint to include additional claims as new information about defendants' conduct is learned through discovery.

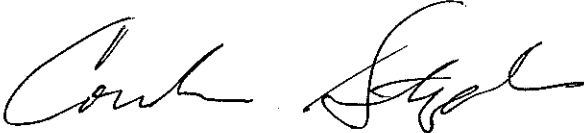
January 16, 2023.

RESPECTFULLY FILED,



Cornelius Stephens, Debtor  
33 Main Street  
Pennsville, NJ 08070  
[csbankruptcy2020@gmail.com](mailto:csbankruptcy2020@gmail.com)  
Direct 215-960-2509

<b>ADVERSARY PROCEEDING COVER SHEET</b> (Instructions on Reverse)		<b>ADVERSARY PROCEEDING NUMBER</b> (Court Use Only)		
<b>PLAINTIFFS</b>  Cornelius Stephens	<b>DEFENDANTS</b> Madison CFD LLC, Castlerock 2017 LLC, Castle CFD Group LLC			
<b>ATTORNEYS (Firm Name, Address, and Telephone No.)</b>  Cornelius Stephens	<b>ATTORNEYS (If Known)</b>			
<b>PARTY (Check One Box Only)</b> <input checked="" type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee	<b>PARTY (Check One Box Only)</b> <input type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee			
<b>CAUSE OF ACTION (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED)</b>  Defendants' violation of 11 U.S.C. sec. 362(a)(6), automatic stay, was "willful" as that term is defined in the Third Circuit because its conduct was intentional, it had prior actual knowledge of the automatic stay from multiple sources, its conduct was unreasonable, and any alleged mistake of law is not a defense.				
<b>NATURE OF SUIT</b> (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)				
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top; border: none;"> <b>FRBP 7001(1) – Recovery of Money/Property</b>  <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property  <input type="checkbox"/> 12-Recovery of money/property - §547 preference  <input type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer  <input checked="" type="checkbox"/> 14-Recovery of money/property - other   <b>FRBP 7001(2) – Validity, Priority or Extent of Lien</b>  <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property   <b>FRBP 7001(3) – Approval of Sale of Property</b>  <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h)   <b>FRBP 7001(4) – Objection/Revocation of Discharge</b>  <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e)   <b>FRBP 7001(5) – Revocation of Confirmation</b>  <input type="checkbox"/> 51-Revocation of confirmation   <b>FRBP 7001(6) – Dischargeability</b>  <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims  <input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud  <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny  <div style="text-align: center;">(continued next column)</div> </td> <td style="width: 50%; vertical-align: top; border: none;"> <b>FRBP 7001(6) – Dischargeability (continued)</b>  <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support  <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury  <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan  <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support)  <input type="checkbox"/> 65-Dischargeability - other   <b>FRBP 7001(7) – Injunctive Relief</b>  <input type="checkbox"/> 71-Injunctive relief – imposition of stay  <input checked="" type="checkbox"/> 72-Injunctive relief – other   <b>FRBP 7001(8) Subordination of Claim or Interest</b>  <input type="checkbox"/> 81-Subordination of claim or interest   <b>FRBP 7001(9) Declaratory Judgment</b>  <input type="checkbox"/> 91-Declaratory judgment   <b>FRBP 7001(10) Determination of Removed Action</b>  <input type="checkbox"/> 01-Determination of removed claim or cause   <b>Other</b>  <input type="checkbox"/> SS-SIPA Case – 15 U.S.C. §§78aaa <i>et seq.</i>  <input checked="" type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court, if unrelated to bankruptcy case)           </td> </tr> </table>			<b>FRBP 7001(1) – Recovery of Money/Property</b> <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input checked="" type="checkbox"/> 14-Recovery of money/property - other  <b>FRBP 7001(2) – Validity, Priority or Extent of Lien</b> <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property  <b>FRBP 7001(3) – Approval of Sale of Property</b> <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h)  <b>FRBP 7001(4) – Objection/Revocation of Discharge</b> <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e)  <b>FRBP 7001(5) – Revocation of Confirmation</b> <input type="checkbox"/> 51-Revocation of confirmation  <b>FRBP 7001(6) – Dischargeability</b> <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny <div style="text-align: center;">(continued next column)</div>	<b>FRBP 7001(6) – Dischargeability (continued)</b> <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other  <b>FRBP 7001(7) – Injunctive Relief</b> <input type="checkbox"/> 71-Injunctive relief – imposition of stay <input checked="" type="checkbox"/> 72-Injunctive relief – other  <b>FRBP 7001(8) Subordination of Claim or Interest</b> <input type="checkbox"/> 81-Subordination of claim or interest  <b>FRBP 7001(9) Declaratory Judgment</b> <input type="checkbox"/> 91-Declaratory judgment  <b>FRBP 7001(10) Determination of Removed Action</b> <input type="checkbox"/> 01-Determination of removed claim or cause  <b>Other</b> <input type="checkbox"/> SS-SIPA Case – 15 U.S.C. §§78aaa <i>et seq.</i> <input checked="" type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court, if unrelated to bankruptcy case)
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<input checked="" type="checkbox"/> Check if this case involves a substantive issue of state law		<input type="checkbox"/> Check if this is asserted to be a class action under FRCP 23		
<input checked="" type="checkbox"/> Check if a jury trial is demanded in complaint		Demand \$ <u>225,000</u>		
Other Relief Sought  <u>Treble Damages, Punitive Damages, Damages for Emotional Stress</u>				

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR Cornelius Stephens		BANKRUPTCY CASE NO. 20-14850
DISTRICT IN WHICH CASE IS PENDING District of New Jersey	DIVISION OFFICE Camden	NAME OF JUDGE Andrew B. Altenburg
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISION OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF) 		
DATE January 16, 2024		PRINT NAME OF ATTORNEY (OR PLAINTIFF) Cornelius Stephens

### INSTRUCTIONS

The filing of a bankruptcy case creates an "estate" under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor's discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also must complete and file Form 1040, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court's Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 1040 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff's attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

**Plaintiffs and Defendants.** Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

**Attorneys.** Give the names and addresses of the attorneys, if known.

**Party.** Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

**Demand.** Enter the dollar amount being demanded in the complaint.

**Signature.** This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.

Banksypter Clark